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How financial advisors are using AI — and what their clients think about it
By Rob Burgess
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Both clients and advisors have found AI to be a helpful tool, but not one best suited for every job.

That was among the findings of the recent 2024 Investor Survey: Insights for a Brighter Future by Janus Henderson Investors, which polled 1,000 mass affluent and high-net-worth investors in the U.S.

Among respondents who use a financial advisor or would consider hiring one in the next two years, the majority feel good or neutral about their advisor using AI technology to create educational content (85%) or for administrative tasks (83%). However, over a third (36%) would object to their advisor using AI to make investment recommendations, and an even greater number (44%) would be upset if they learned their advisor used AI to respond to their texts or emails.

Advisors who use AI in their practices have found it useful for tasks including note-taking, summaries, transcriptions, follow-ups and modeling. But not even the most tech-savvy advisors say it replaces the human element at the core of the client relationship.

AI for client communications — with a helping human hand
Jon McCardle, president of Summit Financial Group of Indiana in Lafayette, Indiana, said his firm has been leveraging AI for routine tasks such as drafting newsletters, rewriting articles or quickly retrieving details about tax codes and legal updates. However, despite AI's growing capabilities, "It hasn't yet reached a point where we feel comfortable entrusting it with more complex tasks without human oversight."

"For now, every AI-generated output undergoes thorough proofreading and, when necessary, reconstruction to ensure accuracy and alignment with our high standards," he said. "This cautious approach allows us to maximize the benefits of AI while maintaining the trust and reliability our clients expect."

Jason Preti, founder of Unleashed Financial in Kirkland, Washington, said he began using AI almost as soon as it became publicly available.

"As a solo practitioner, time is incredibly valuable, and tasks that once took hours or days can now be completed in a fraction of the time," he said. "I've never considered myself particularly creative or verbose. With AI, I can use my ideas and expertise to craft more informative articles, concise and accurate scopes of work and more effective email responses."

Preti said he doesn't believe AI makes client communications any less personal.

"It enhances my ability to convey my thoughts more clearly and effectively in written communication with clients," he said.

Michael L. Rosenberg, managing director of Diversified Investment Strategies in Florham Park, New Jersey, said he hasn't had any clients ask him about AI yet, "which may be because most of them are at or near retirement." He said while he does use AI in his work, he doesn't rely on it to write articles or respond to emails directly.

"Instead, I use it to enhance my writing — primarily for refining grammar, tweaking phrasing and rewording a few lines where needed," he said.

Ross H. Cutler, a financial planner with King Tide Advisors in Stuart, Florida, said his firm uses AI for marketing outreach and helps with meeting notes to capture and summarize actions discussed.

"For some of these messages the AI will provide a draft for us to edit that improves the amount of time with message creation," he said. "AI tools typically do not include personal client communication. We do not limit the application of the ability of AI in our business or practice management if it improves quality and service. We still believe our value comes from the personal relationship with clients. It is difficult for AI to replace the personal characteristics of a relationship or discussion."

Nathan Mueller, a financial planner with BlackBird Financial Planning in Pagosa Springs, Colorado, said AI has proven to be a cost-saving tool. He has used it to help write blog content and social media posts. Previously, he would hire writers or companies that generate articles.

"Now, I use AI to assist with this and emphasize assist," he said. "I'll often use AI to create outlines, introductions, conclusions and proofread with Grammarly, but I will frequently curtail things that suit what I want to get across."

Ryan P. McGonigal, president of RPM Financial Group in Chicago, said he also uses AI in his digital marketing to help formulate the framework for an email blast to clients and prospects.

"I then add my own thoughts and also take out anything that is not relevant," he said.

Crystal McKeon, a financial planner with TSA Wealth Management in Houston, said her firm uses AI for the creation of some marketing materials. It is in the process of adding some meeting summary applications.

"As technology advances, our industry is becoming more and more about relationships," she said. "People can get a diversified portfolio from any number

of different robo advisors. Many choose us because they want a real person on the other end they can talk to and get real email responses from."

Mueller said hasn't yet run into a prospect who has asked if he is using AI and in what manner. It has come up with a current client, but it was in an off-topic conversation.

"The client was actually excited to share something about how they were using AI and then proceeded to suggest I use AI, to which I informed him how I used AI in my practice," he said.

Creating meeting transcriptions, notes and follow-ups

Garrett Harper, a financial planner with Harper Financial Strategies in Lawrence, Kansas, said they use AI to create marketing pieces, educational content, meeting notes and follow-ups.

"I am very upfront with clients about the use of AI, even sending an email about how we use AI for our note-taking process for every new client," he said. "However, using AI to respond directly to a client's request or question would never be one of the uses of AI in my firm. There are ways to use AI to save time, but losing the chance to be real and responsive to a client's concern is going down the wrong path of its intended use in my opinion."

Philip H. Weiss, managing partner at Apprise Wealth Management in Baltimore, said he uses the Fathom notetaker, which allows him to "truly listen during a client or prospect meeting as I don't need to write much in the way of notes."

"It tells me how much of the call was me talking versus the person on the other end," he said. "It generates a summary of the call. I take that summary and paste it into my CRM after making a few edits. That's a tremendous time-saver."

Weiss said he used AI to help create a framework and marketing materials for a four-session book club he's currently hosting. He will also ask AI to suggest topics for my niche as well as outlines for blog posts. When he records videos, he uses a tool that can generate transcripts, so closed captions appear when he posts the video on YouTube. He has also been loading some of his content into the paid version of ChatGPT so it understands his voice and can write more like he does.

"Of course, it can't add personal stories and other touches, but that leads to a nice framework," he said.

The only time the topic of AI has come up with Weiss' clients is when some have asked about the calls being recorded.

"I tell them that doing so allows me to listen more and enhances my efficiency because of how I use the summaries," he said. "A few clients have requested access to the recordings after our call."

McGonigal said he uses the Jump AI notetaker for all his Zoom meetings. He has found it to be a huge help with client and prospect meetings. It also syncs to Wealthbox, his CRM, which then puts the to-do items in his workflows so that everything discussed gets completed on time.

"It also protects me and the client concerning compliance, when I am getting an annual audit," he said. "It also helps formulate the framework for an email summation for the client to receive shortly after our meeting is completed. It makes me look very professional and organized, which clients appreciate. All of these things help me save time and stay efficient. It does not do everything a virtual assistant would help me with, but it does do a lot of the menial but necessary tasks to make my practice run more smoothly."

Modeling uses are still questionable for some advisors

Chris Boyd-Witherspoon, financial services professional at American Heritage Financial in Atlanta, said her firm uses AI for modeling when there are changes in legislation or product updates.

"It identifies which clients may be affected and analyzes the impact, providing valuable insights for decision-making and helping clients feel more at ease," she said. "In Social Security modeling, I use AI to help clients determine if their chosen retirement age is optimal. The AI model analyzes their specified Social Security amount to evaluate whether starting benefits at their selected age still makes sense. I use AI for product comparison to manage the vast number of products available."

Boyd-Witherspoon said many of her clients are in the technology and engineering fields "and appreciate that I am using AI for these functions."

"It provides extensive data support for my recommendations and instills confidence in the options I present to clients," she said.

Mueller said he has tested AI for financial scenarios and is still convinced that an advisor's knowledge and textbooks are the best way to go.

"While it has mostly been right and has even jogged my memory for a formula to analyze risk, I have seen it make mistakes," he said. "This partly might be because tax laws change frequently, and most AI programs use information from a few years ago."

McCardle said his firm has consciously chosen not to apply AI in areas such as investment design or portfolio analysis.

"The technology still faces significant hurdles in reliability when it comes to the complex, nuanced nature of financial markets," he said. "Until these challenges are addressed, our expertise and judgment will continue to be the foundation of those critical areas."